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UNCLAS SECTION 01 OF 03 DOHA 000993

SIPDIS

E.O. 12958: N/A

TAGS: PGOV PREL ECON KISL KDEM ELAB PHUM EINV QA INL

SUBJECT: QATAR NEWS AND RUMORS

Seeds of Democracy

11. (U) Some schools in Doha have established a forum called "small parliament" to discuss children's issues such as the Child's Rights Convention. Several young sheiks have participated in these small parliaments, which have held several meetings. The views expressed in these parliaments have been carried in local newspapers.

Recognizing a Child's Right to Nationality

12. (U) The rights of children of Qatari women married to foreigners are expected to be addressed in the new citizenship law currently under consideration. Present laws constrain Qatari women from marrying foreigners. Qatari women tend to avoid such unions because of the discrimination against children of such unions, for instance they do not obtain Qatari nationality as nationality is passed down from the father. Some women and children have long complained about this and see this proposed new law, which is expected to provide nationality to these children, as long overdue.

Promoting Inter-faith Dialogue

13. (U) The Third Conference of Freedom of Religions is scheduled for the 29-30 of June in Doha. For the first time in Qatar representatives from the three monotheistic religions -Christianity, Islam, and Judaism-have been invited. Invitations have been extended to the Anglican Church, Coptic Church, Middle East Churches Council, Orthodox Church, the Vatican, and Jewish Rabbis, among others. Dr. Aisha Al-Mannai, president of the planning committee, said that moderate Jewish Rabbis outside of Israel had been invited to the Conference. Rabbis in Israel were not invited, according to Dr. Aisha, because Qatar disagreed with the occupation policy in Palestine. Dr. Al-Mannai also mentioned that Dr. Yousef Al-Qaradawi, the reknowned Islamic scholar expressed reservations about inviting Jews to the conference and declined to attend. The topic of this year's conference is "The Role of Religions in Blessing Mankind." All sessions are open to the public. Discussion of the individual faiths or specific religious practices, as well as political issues, however, is off-limits.

Equal Death Compensation... or not

14. (U) Recent articles in the local press have highlighted the split among Islamic scholars over the issue of death compensation or blood money (deyah). Qatari law stipulates that the legal heirs of women murdered or killed in road accidents are entitled to half of the blood money as the heirs of men. However, some scholars, among them Dr. Yousef Al-Qaradawi, argue that the heirs of women should get equal death compensation as those of men. According to Al-Qaradawi there is no reference in the Quran that shows that women are not equal with men in the matter of death compensation. Other scholars challenge this view and assert that since a man is the bread earner of the family, Islamic laws specify that his relatives get double the compensation as those of a woman. Further, they argue, "this is not the right time to debate the issue as Islam is being targeted by other cultures and civilizations."

Unrest at the Central Municipal Council

15. (U) Sixteen out of 29 members of Qatar's elected body, the Central Municipal Council (CMC), have signed a petition calling for the resignation of the council chairman, Ibrahim al-Haidous. The reasons given in the petition were not made public, but we understand that one issue was favoritism by Haidous in selecting council members for official CMC travel. Other members have been dissatisfied with al-Haidous, believing him to be too conservative in asserting the council's authority. In the latest twists, the CMC vice-chair refused to accept a related memo on the grounds that it was not drafted on CMC letterhead, and the Minister of Municipal

Affairs and Agriculture met with the dissidents in an attempt to bring about reconciliation. The Minister may be trying to retain a CMC chairman who avoids rocking the boat.

The Social is Political

16. (U) It is not surprising to find thousands of Asian workers milling about in groups in downtown Doha during the weekends. Indeed, male expatriate laborers take advantage of their weekends to leave their crowded housing accommodations to socialize with each other. However, recently the nature of these weekend gatherings has changed for some. What used to be a simple social activity has turned into opportunities for expatriate laborers to discuss openly their sufferings (bad living conditions, delayed salary payment, sponsorship system, maltreatment, etc.). Shopowners, however, are protesting these gatherings and are asking that the workers find another place to convene. They complain that the workers are blocking their stores and preventing would-be customers from shopping. According to the shopowners, this has led to a decrease in business during the weekends.

Labor Contracts Mischief

17. (U) Poloff recently brought to the attention of the Ministry of Civil Service Affairs and Housing the issuance of new labor contracts, which obstruct civil service laws. The new contracts which were issued by the Ministry of Municipal Affairs and Agriculture and which were published in local Arabic newspapers, do not meet the mandatory guidelines and requirements. Nor did the Ministry of Civil Service Affairs and Housing approve them as mandated. Among others, the new contracts omit the end of service remuneration and exempt the employer from providing housing and transportation allowance for the employee. The Ministry of Civil Service Affairs and Housing reports to Poloff that it is following up on the contracts issue. According to the Ministry, which is reviewing the new contracts, the end of service gratuity is an irrevocable labor right and must be included in all government labor contracts.

More Labor Woes...

18. (U) In a related matter, the recent restructuring of the Ministry of Municipal Affairs and Agriculture has led to a large number of terminations. Those most affected are expatriate laborers. Unlike Qatari workers, expatriate laborers will not receive job re-training, which would enable them to qualify for jobs at other departments and ministries. Among the questions that remain unanswered are: What will happen to these expatriate laborers? Will they be allowed to change their sponsorship or will they be deported?

Foreign Direct Investment and Economic Growth

19. (U) Visiting speaker and well-known American economist Edward Graham discussed the topic of foreign direct investment (FDI) at the Ministry of Economy and Commerce on May 19. Referring to a variety of economic studies, Graham argued that FDI leads to economic growth in cases where the target population is educated and when the target country also adopts a liberal trade regime. He also argued that Qatar should focus on establishing strong property rights. The lecture was well received, getting coverage in the local English-language press. An audience of about 70 government officials and private-sector business leaders engaged Graham in discussion about the degree of Qatar's openness, most agreeing that the country is "not open, but not closed." Business representatives said the government should do more to include the local private sector in emerging investment opportunities that seemed to be steered toward foreign firms.

Software Piracy in Qatar Higher than Average

110. (SBU) On May 17, the Business Software Alliance and the Ministry of Economy and Commerce hosted a workshop on the protection of intellectual property. The workshop was not as well attended as in previous years (two dozen compared to 70-odd) and overall preparation was unexceptional. Most participants were government employees (Commerce and Justice ministries), and the level of discussion centered on basic IPR principles and the economic damage of piracy. However, Microsoft's new point person on IPR protection was knowledgeable and energetic. He characterized Qatar's rate of software piracy as above the Middle Eastern average of 48%,

partly due to a lack of attention from western software firms. With Qatar's rapid economic growth, companies are paying more attention in order to stay ahead of the curve. Qatari laws are adequate, but there are not enough resources devoted to the protection of intellectual property. A British lawyer did note that Qatar's attention to IPR matters had increased as a result of TIFA talks.

Commercialbank Negotiates with National Bank of Oman

110. (U) Commercialbank, the second largest bank in Qatar in terms of assets as of December 2004, is set to begin negotiations with National Bank of Oman for a possible strategic shareholding with the latter. According to a report issued by Kuwait-based Global Investment House (Global) on April 22 of this year, Commercialbank has an impressive track record of profitable operations for 30 years of existence, which has been supported by diversified revenue structure, good asset quality, diversified funding sources and strong capital base. Global lauded Commercialbank for improved quality of loan portfolio, substantial improvement in non-interest revenues and lower NPL (non-performing loans) provisions. Commercialbank's net profit grew by 32 per cent in 2004 to reach approximately \$90 million dollars.

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